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Report No. 2017-28

TO: Teresa Del Rio, Director
Court and Operational Services Division

FROM: Hector Collazo Jr., Inspector General/Chief Audit Executive
Division of Inspector General 

DIST: Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
Claretha Harris, Chief Deputy Director, Finance Division
Jeffrey Gates, Executive Director, Court and Operational Services Division
Rodney Tabler, Manager, Civil Court Records

SUBJECT: Unannounced Audit of the Self Help Center (315 Court Street) Change Fund
Unannounced Audit of the Clerk's Notary Journals

DATE: December 19, 2017

This letter serves to inform you that the Division of Inspector General has completed an unannounced audit of the Clerk's Self Help Center (315 Court Street) Change Fund and the Clerk's Notary Journals on October 31, 2017.

The objectives of our audit were to:

1. Reconcile the Change Fund and ascertain that the appropriate internal controls, safeguards, and policies and procedures are being followed, safeguarding the county funds under your departmental control.
2. Sample Notary Journals to ascertain that notaries are logging notarial acts, completing all Notary Journal fields, and not improperly using Deputy Clerk stamps in lieu of Notary stamps in accordance with established policies and procedures.



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Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the *Principles and Standards for Offices of Inspector General*, and accordingly, included such tests of records and other auditing procedures as we considered necessary in the circumstances.

The Self Help Center Change Fund reconciled to the authorized amount. The department's internal controls and safeguarding of this fund are adequate, and the policies and procedures are being followed.

The audit did note non-compliance issues in regard to existing documented policies and procedures for notaries.

1. Notary Journal Entries Are Incomplete.

We reviewed the Notary Journal records, on a sample basis, to determine if all required fields were completed, and found most entries were incomplete. The sample selection for the notary testing consisted of a review of journal entries from the only notary from this office. Testing consisted of fourteen journal entries, completed after the Clerk-wide Notary Training conducted in August 2016.

Of the fourteen entries, only one was completed according to policy. For the other thirteen entries, the following fields were noted incomplete:

- There were four instances of the Fee Charge field being left blank.
- There were thirteen instances of the Receipt # field being left blank.
- There were seven instances of the Time field being left blank.
- There was one instance of the Type of Notarial Act field not being checked.

The Clerk's Notary Journal and Reference Guide states, "As a Notary Public employed by the Clerk of the Circuit Court, you are required to complete a journal entry each time you perform a Notary Act."

This finding has been noted frequently in the Court and Operational Services Division notary testing. Additional training was provided to notaries within the Court and Operational Services Division in August 2016. However, we continue to find incomplete journal entries in our auditing of these records. As this is a recurring issue, we are making additional recommendations at this time.

We recommend Management:

- A. Instruct notaries to complete all sections/fields of the Notary Journal record for all notarial acts provided.
- B. Periodically review staff Notary Journals for completeness and provide instruction when deficiencies are found.

- C. Create a formalized notary policy and procedures that clearly define the Notary Journal completion requirements and provide visual examples of those expectations (i.e., a complete Notary Journal entry as an example for reference).

Management Response:

Management concurs with the recommendations and will create formalized policies and procedures along with periodic and random audits of those employees who are notaries.

2. No Justification Provided For Notary Fee Waiver.

There were two instances where no notary fee (indicated in the Fee Charge field as \$0) was charged for the notarial act on the journal entry. The documentation does not provide any information to explain why the fee waiver was given, such as the notary fee waiver being given for Pinellas County employees.

Incomplete records of documented fee waivers increases the risk of abuse or the granting of fee waivers when not appropriate. It is good business practice to document any deviation from the normal business practice. For fee waivers or reductions, it is good business practice to document the justification of any instances where waivers or fee reductions are granted to ensure consistent application and to ensure employees are not granting fee waivers or reductions when not appropriate.

We recommend Management require journal entries to document the justification for any instances of fee waivers or reductions.

Management Response:

Management concurs with the recommendation.

We appreciate your staff's cooperation during this audit.